



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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WENDY L. WATANABE
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August 5, 2013

TO: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Auditor-Controller

A handwritten signature in blue ink, reading "Wendy L. Watanabe", is written over the printed name and title.

SUBJECT: **INSTITUTE FOR MULTICULTURAL COUNSELING AND
EDUCATIONAL SERVICES, INC. – A DEPARTMENT OF PUBLIC
SOCIAL SERVICES DOMESTIC VIOLENCE SUPPORT SERVICES
PROGRAM PROVIDER – CONTRACT COMPLIANCE REVIEW**

We completed a program and fiscal review of Institute for Multicultural Counseling and Educational Services, Inc. (IMCES or Agency), which covered a sample of transactions from July 2011 through December 2012. The Department of Public Social Services (DPSS) contracts with IMCES, a non-profit organization, to provide Domestic Violence Supportive Services (DVSS) Program services to eligible victims of domestic violence. DVSS Program services include performing assessments, facilitating shelter assistance, and providing legal assistance to the victims.

The purpose of our review was to determine whether IMCES appropriately accounted for and spent DVSS Program funds to provide the services outlined in their County contract. We also evaluated the adequacy of the Agency's accounting records, internal controls, and compliance with their contract and other applicable guidelines.

DPSS paid the Agency approximately \$655,000 on a cost-reimbursement basis from July 2011 through December 2012. IMCES provides services to residents of the Second and Fifth Supervisorial Districts.

Results of Review

IMCES provided services to eligible participants, recorded and deposited DPSS payments timely, and Agency staff had the required qualifications. In addition, the Agency prepared its Cost Allocation Plan (Plan) in compliance with its County contract, and used the Plan to allocate shared costs appropriately.

Details of our review are attached.

Review of Report

We discussed our report with IMCES and DPSS in June 2013. IMCES is not required to submit a response to this report, because there are no findings or recommendations.

We thank IMCES management and staff for their cooperation and assistance during our review. Please call me if you have any questions, or your staff may contact Don Chadwick at (213) 253-0301.

WLW:AB:DC:AA

c: William T Fujioka, Chief Executive Officer
Sheryl L. Spiller, Director, DPSS
Dr. Malak E. Eversole, Board Chair, IMCES
Dr. Tara Pir, Executive Director, IMCES
Public Information Office
Audit Committee

**INSTITUTE FOR MULTICULTURAL COUNSELING AND EDUCATIONAL
SERVICES, INC.
DOMESTIC VIOLENCE SUPPORTIVE SERVICES PROGRAM
JULY 2011 THROUGH DECEMBER 2012**

ELIGIBILITY

Objective

Determine whether the Institute for Multicultural Counseling and Educational Services, Inc. (IMCES or Agency) provided services to individuals who met the Domestic Violence Supportive Services (DVSS) Program eligibility requirements.

Verification

We reviewed the case files for ten (15%) of the 66 participants who received services during December 2012 for documentation to confirm their eligibility for DVSS Program services.

Results

IMCES had documentation to support all ten participants' eligibility for DVSS Program services.

Recommendation

None.

PROGRAM SERVICES

Objective

Determine whether IMCES provided the services required by their County contract and DVSS Program guidelines, and whether the Program participants received the billed services.

Verification

We visited one (50%) of the two IMCES service sites, and reviewed the case files for ten (15%) of the 66 participants who received services during December 2012.

Results

IMCES provided services in accordance with their County contract.

Recommendation

None.

STAFFING QUALIFICATIONS

Objective

Determine whether IMCES' staff had the qualifications required by their County contract.

Verification

We reviewed the personnel files for six (29%) of the 21 IMCES employees who worked on the DVSS Program.

Results

IMCES' staff had the qualifications required by their County contract.

Recommendation

None.

CASH/REVENUE

Objective

Determine whether IMCES recorded revenue in the Agency's financial records properly, deposited cash receipts into their bank accounts timely, and that bank account reconciliations were reviewed and approved by Agency management.

Verification

We interviewed IMCES management, and reviewed the Agency's financial records and January 2013 bank reconciliations.

Results

IMCES recorded revenue in their financial records properly, deposited Department of Public Social Services (DPSS) payments into the Agency's bank account timely, and Agency management reviewed and approved monthly bank reconciliations.

Recommendation

None.

EXPENDITURES

Objective

Determine whether expenditures charged to the DVSS Program were allowable under the County contract, properly documented, and accurately billed.

Verification

We interviewed IMCES' personnel, and reviewed financial records for 11 non-payroll expenditures, totaling \$5,477, that the Agency charged to the DVSS Program from July 2012 through December 2012.

Results

IMCES' expenditures were allowable, properly documented, and accurately billed.

Recommendation

None.

PAYROLL AND PERSONNEL

Objective

Determine whether IMCES charged payroll costs to the DVSS Program appropriately, and maintained personnel files as required.

Verification

We traced the payroll costs for six employees, totaling \$16,021, for December 2012 to the Agency's payroll records and time reports. We also interviewed staff, and reviewed personnel files for six IMCES DVSS Program staff.

Results

IMCES appropriately charged payroll costs to the DVSS Program, and maintained personnel files as required.

Recommendation

None.

COST ALLOCATION PLAN

Objective

Determine whether IMCES prepared their Cost Allocation Plan (Plan) in compliance with their County contract, and used the Plan to allocate shared costs appropriately.

Verification

We reviewed IMCES' Plan, and a sample of expenditures from July 2012 through December 2012.

Results

IMCES prepared its Plan in compliance with their County contract, and the Agency allocated their shared costs appropriately.

Recommendation

None.

CLOSE-OUT REVIEW

Objective

Determine whether IMCES had any unspent revenue for the DVSS Program for Fiscal Year (FY) 2011-12.

Verification

We traced the total revenues and expenditures from IMCES' FY 2011-12 close-out report to the Agency's accounting records, and to DPSS' payment records.

Results

IMCES did not have any unspent revenue during FY 2011-12.

Recommendation

None.